

Message Text

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PAGE 01 PHNOM 09736 231417Z

43/17

ACTION EB-11

INFO OCT-01 EA-11 ISO-00 SP-03 AID-20 NSC-07 RSC-01

CIEP-03 TRSE-00 SS-20 STR-08 OMB-01 CEA-02 CIAE-00

COME-00 FRB-03 INR-11 NSAE-00 XMB-07 OPIC-12 LAB-06

SIL-01 PA-04 PRS-01 USIA-15 H-03 L-03 IO-14 DRC-01

/169 W

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P 230609Z JUL 74

FM AMEMBASSY PHNOM PENH

TO SECSTATE WASHDC PRIORITY 7012

C O N F I D E N T I A L PHNOM PENH 9736

C O R R E C T E D COPY (FOR FIFTH LINE OF TEXT)

E.O. 11652: GDS

TAGS: ECON, EFIN, EIND, CB

SUBJECT: FIRST NATIONAL CITY BANK IN CAMBODIA

REF: PHNOM PENH 9129

WE HAVE AGREED TO ASSIST COMIN KHMERE IN COMMUNICATIONG
WITH FNCB SINCE THE LATTER'S REPRESENTATIVE COULD NOT
COME TO PHNOM PENH ON JULY 20 AS REPORTED REFTEL.
ACCORDINGLY, WE WOULD APPRECIATE IT IF THE FOLLOWING
MESSAGE COULD BE TRANSMITTED TO FNCB NEW YORK AS SOON
AS POSSIBLE. FNCB SHOULD BE APPRISED OF THE SENSITIVITY
OF THIS METHOD OF TRANSMISSION. BEGIN MESSAGE TO FNCB:
QUOTE CITIBANK NEW YORK ATTENTION VICE
PRESIDENT RICHARD WHEELER PERRY WOOTTEN JOHN KULP.
CONFIRM AMBASSADOR AND ECONOMIC COUNSELOR HAVE WRITTEN
PRIME MINISTER AND FINANCE MINISTER SUPPORTING APPLICA-
TION AND ADVANTAGES DEMANDED STOP INVESTMENT AUTHORIZATION
HAVING BEEN OFFICIALLY GRANTED JULY 11 NOW REMAINS
ADVANTAGES FOR WHICH NEW APPLICATION SHOULD BE SUBMITTED
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PAGE 02 PHNOM 09736 231417Z

STOP TO SPEED OBTENTION THESE ADVANTAGES PLEASE CABLE

VIA COMMERCIAL CHANNEL FOLLOWING SUGGESTED WORDING TO
MINISTER OF FINANCE WITH COPY COMINK AND EMBASSY QUOTE
ACKNOWLEDGE WITH THANKS RECEIPT INVESTMENT PRAKAS
NUMBER 1732 DATED JULY ELEVEN AUTHORIZING ESTABLISHMENT
NEW JOINT VENTURE DEPOSIT BANK NAMED FIRST NATIONAL
CAMBODIA BANK STOP IN ORDER PROCEED WITH OPENING BANK
APPRECIATE AUTHORIZATION FOLLOWING POINTS WHICH ORIGINALLY
MENTIONED OUR LETTER MAY THIRTIETH ADDRESSED TO MINISTER
OF PLANNING AAA EXONERATION IMPORT DUTIES AND TAXES ON
EQUIPMENT AND BASIC MATERIALS NECESSARY FOR THE FUN-
CTIONING OF THE BANK STOP PAYMENT FOR IMPORT OF SUCH
EQUIPMENT SHOULD BE AUTHORIZED OUT OF FOREIGN EXCHANGE
SUPPLIED BY OURSELVES AS OUR PART OF BANKS PAID UP
CAPITAL AS LIMITED FOREIGN EXCHANGE PRESENTLY AVAILABLE
FROM NEW EXCHANGE MARKET OR USAID AND IN ANY CASE EQUIPMENT
URGENTLY NEEDED IF BANK SHALL START OPERATIONS WITHIN THREE
MONTHS TIME LIMIT FIXED BY KRET 534 DATED 22 AUGUST 1972 STOP
BBB EXONERATION OF PROFIT TAXES PAYABLE ON BANKS PRETAX
EARNINGS FOR FIVE YEAR PERIOD STOP CCC EXONERATION OF
REVENUE TAX AND OTHER TAXES ON STOCKS AND SHARES FOR
DIVIDENDS DISTRIBUTED BY THE BANK FOR FIVE YEARS THIS
SHOULD ALSO PERTAIN TO STOCKS AND SHARES PAYABLE ON
CAPITAL INCREASES OR CHANGES IN THE CAPITAL STRUCTURE
OF THE BANK DDD EXONERATION FROM TAXES ON THE FEES TO
BE PAYABLE UNDER THE MANAGEMENT CONTRACT TO THE NEW YORK
OFFICE OF FIRST NATIONAL CITY BANK THIS FEE IS NOT PROFIT
NEITHER IS IT ROYALTY OR DIVIDEND IT SHOULD BE TREATED
AS AN EXPENSE TO BE PAID BY THE BANK HERE FOR USE OF ITS
PERSONNEL IN MANAGING THE BANK EEE AUTHORIZATION FOR THE
BANK TO REMIT ITS PROFITS IN US DOLLARS ON MONTHLY BASIS
FFF AS MENTIONED KRET NUMBER 534 DATEDS22 AUGUST 1972
DEROGATION MUST BE OBTAINED IF PRESIDENT OF NEW BANK IS
OF FOREIGN NATIONALITY COMMA CONSIDERING NEW BANK
MANAGED BY FNCB WE SOLICIT SUCH DEROGATION ENABLING FNCB
REPRESENTATIVE BECOME PRESIDENT OF BANK ASSUMING FULL
RESPONSIBILITY FOR BANKS OPERATIONS UNQUOTE REGARDS
NIELSEN FRANTZEN COMINK UNQUOTE END MESSAGE TO FNCB.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
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Concepts: BANK BRANCHES, INVESTMENT GUARANTEES, ESTABLISHMENT OF OFFICES
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Draft Date: 23 JUL 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
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Disposition History: n/a
Disposition Reason:
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To: STATE
Type: TE
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